



United States
General Accounting Office
Washington, D.C. 20548

Accounting and Information
Management Division

B-281843

February 19, 1999

The Honorable Henry J. Hyde
Chairman, Committee on the Judiciary
House of Representatives

Subject: Federally Chartered Corporation: Review of the Financial Statement
Audit Report for the Daughters of Union Veterans of the Civil War 1861-
1865 for Fiscal Year 1997

Dear Mr. Chairman:

As requested, we reviewed the audit report covering the financial statements of the Daughters of Union Veterans of the Civil War 1861-1865, a federally chartered corporation, for the fiscal year ended August 31, 1997. The main purpose of the corporation is to perpetuate the memories of the fathers of the Daughters of Union Veterans of the Civil War 1861-1865. This purpose is accomplished primarily through the maintenance of a Civil War Museum and associated library and through scholarship programs at the national and state level.

Federally chartered corporations are required under 36 U.S.C. 1102-1103 to

- present the corporation's assets and liabilities and reasonable detail on the corporation's income and expenses in annual financial statements,
- obtain an annual financial audit by an independent public accountant, and
- submit the auditor's report and the corporation's financial statements to the Congress .

The objective of our review was to determine whether the audit report complied with the financial reporting requirements of the law. In carrying out our work, we reviewed the corporation's financial statements and the accompanying notes, performed certain analytical procedures related to information presented in the financial statements, reviewed the

161842

auditor's report, and made inquiries to corporation officials or the auditor as we deemed necessary. We did not review the auditor's working papers. Our review disclosed no reportable instances of noncompliance.

The audit report included the auditor's opinion that with one exception, the financial statements of the corporation were fairly presented on a cash basis of accounting. The exception related to the property accounting records for the years prior to 1996. The records were not adequate for the auditor to form an opinion regarding the amounts at which property and equipment and accumulated depreciation are recorded, or the amount of depreciation expense for the year. We are returning the audit report you sent with your letter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David L. Clark", with a stylized flourish at the end.

David L. Clark
Director, Audit Oversight and Liaison

Enclosure

(911915)

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. VISA and MasterCard credit cards are accepted, also. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

**U.S. General Accounting Office
P.O. Box 37050
Washington, DC 20013**

or visit:

**Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC**

**Orders may also be placed by calling (202) 512-6000
or by using fax number (202) 512-6061, or TDD (202) 512-2537.**

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (202) 512-6000 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

For information on how to access GAO reports on the INTERNET, send an e-mail message with "info" in the body to:

info@www.gao.gov

or visit GAO's World Wide Web Home Page at:

<http://www.gao.gov>

**United States
General Accounting Office
Washington, D.C. 20548-0001**

<p>Bulk Rate Postage & Fees Paid GAO Permit No. G100</p>

**Official Business
Penalty for Private Use \$300**

Address Correction Requested
